

**TRAFFIC AND CAPACITY STATISTICS – November 2008***Summary of the headline figures*

In November 2008, passenger capacity, measured in Available Seat Kilometres, was 3.1 per cent below November 2007. Traffic, measured in Revenue Passenger Kilometres, fell by 5.9 per cent. This resulted in a passenger load factor decrease of 2.2 points versus last year, to 74.4 per cent. Traffic comprised a 10.8 per cent decrease in premium traffic and a 4.8 per cent fall in non-premium traffic.

Cargo, measured in Cargo Tonne Kilometres, fell by 7.2 per cent.

*Market conditions*

Trading conditions remain broadly unchanged, with longhaul premium traffic stable and consistent with the trends of recent months. Financial guidance for the year remains unchanged.

*Strategic Developments*

British Airways confirmed yesterday (December 2, 2008) that it is exploring a potential merger with Qantas Airways Limited via a dual-listed company structure. The discussions between British Airways and Iberia are continuing. There is no guarantee that any transaction will be forthcoming and a further announcement will be made in due course, if appropriate.

It was confirmed in the pre-budget report that the Government will not go ahead with its Aviation Duty proposals but the industry was again targeted for increased taxation. The airline will continue to press the Government for a commitment that APD should be abolished in 2012 when aviation enters the EU emissions trading scheme.

The airline said it will resume flights to Jeddah and Riyadh in Saudi Arabia from March 29, 2009. The airline will fly five times each week from Heathrow Terminal 5 to both Jeddah and Riyadh. Flights to Riyadh will operate on a Boeing 777 and Jeddah flights will be on a Boeing 767.

The Irish government announced that customers on BA's new, twice-daily business-class service from London City to New York will be able to clear US customs and immigration at Shannon Airport. This will allow customers to bypass the normal arrivals checks when they land at JFK and speed straight through the airport when the service is launched in autumn 2009.

British Airways won 'Best Airline' at the second annual ICARUS Environmental Awards and the best scheduled airline in Europe category at the British Travel Awards.

A new cabin configuration will guarantee Club Europe customers a window or aisle seat from February 23, 2009. The new configuration will see the removal of the use of the middle seat in the shorthaul business class cabin.

Chumpol NaLamlieng announced that he is to retire from the company's Board when his three-year term of office comes to an end at the annual general meeting on 14 July 2009.

*December 3, 2008**Reminder - New format and restatement of traffic and statistics*

With effect from October 2008, British Airways' traffic statistics now include data related to customers who have flown on 'frequent flyer' mileage redemption tickets. This change brings the Group into line with industry standards, and also into line with all major scheduled carriers. The historic data has also been restated on this basis, to create a like-for-like comparison.

**BRITISH AIRWAYS SCHEDULED SERVICES**

	Month of November			Financial year to date April to November		
	2008	2007	Change (%)	2008	2007	Change (%)
	<b>Passengers carried (000)</b>					
UK/Europe	1413	1559	-9.3	14540	15046	-3.4
Americas	558	604	-7.6	5348	5486	-2.5
Asia Pacific	142	153	-7.3	1278	1313	-2.7
Africa and Middle East	310	313	-1.0	2314	2422	-4.5
Total	2424	2629	-7.8	23480	24267	-3.2
<b>Revenue passenger km (m)</b>						
UK/Europe	1423	1494	-4.8	15153	14992	+1.1
Americas	3751	4043	-7.2	36004	36916	-2.5
Asia Pacific	1462	1573	-7.0	13055	13428	-2.8
Africa and Middle East	2074	2150	-3.5	15163	16233	-6.6
Total	8710	9260	-5.9	79376	81569	-2.7
<b>Available seat km (m)</b>						
UK/Europe	2320	2317	+0.1	20889	19949	+4.7
Americas	4882	5241	-6.9	44829	44607	+0.5
Asia Pacific	1881	1888	-0.4	15692	15688	+0.0
Africa and Middle East	2631	2642	-0.4	19626	20204	-2.9
Total	11715	12089	-3.1	101035	100447	+0.6
<b>Passenger load factor (%)</b>						
UK/Europe	61.3	64.5	-3.2pts	72.5	75.2	-2.7pts
Americas	76.8	77.1	-0.3pts	80.3	82.8	-2.5pts
Asia Pacific	77.7	83.3	-5.6pts	83.2	85.6	-2.4pts
Africa and Middle East	78.8	81.4	-2.6pts	77.3	80.3	-3.0pts
Total	74.4	76.6	-2.2pts	78.6	81.2	-2.6pts
<b>Revenue tonne km (RTK) (m)</b>						
Cargo tonne km (CTK)	402	434	-7.2	3244	3246	-0.1
Total RTK	1274	1364	-6.6	11151	11450	-2.6
Available tonne km (m)	1768	1847	-4.3	15165	15407	-1.6
Overall load factor (%)	72.1	73.9	-1.8pts	73.5	74.3	-0.8pts

Certain information included in these statements is forward-looking and involves risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the forward looking statements.

Forward-looking statements include, without limitation, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of the Company's Business Plan programs, expected future revenues, financing plans and expected expenditures and divestments. All forward-looking statements in this report are based upon information known to the Company on the date of this report. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

It is not reasonably possible to itemize all of the many factors and specific events that could cause the Company's forward looking statements to be incorrect or that could otherwise have a material adverse effect on the future operations or results of an airline operating in the global economy. Fuller information on some factors which could result in material difference to the results is available in the company's Annual Report for the year ended 31 March 2008, which is available on [www.bashareholders.com](http://www.bashareholders.com).